

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0596-01  
Bill No.: HB 177  
Subject: Property, Real and Personal; State Tax Commission; Taxation and Revenue -  
General ; Taxation and Revenue - Property  
Type: Original  
Date: March 10, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from **Jackson County, Boone County, and St. Louis County** did not respond to our request for information on this proposal.

Officials from the **Department of Revenue** and the **Office of Administration, Division of Design and Construction** assume this proposal would have no impact on their organizations.

Officials from the **State Tax Commission** assume this proposal would have no impact on their organization; however, they assume the Jackson County Collector's Office will have to develop necessary procedures to process installment payments on real estate taxes and should be able to provide the fiscal impact.

**Oversight** assumes this proposal would have an unknown negative fiscal impact to the Jackson County Collector's Office, and also to the taxing authorities in Jackson County which would have taxes paid in installments. Oversight assumes this proposal would be implemented in December 2003 for 2003 taxes, and that the impact to the Blind Pension Fund would be minimal.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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**POLITICAL SUBDIVISIONS**

<u>Cost - Jackson County Collector</u> Administration	(Unknown)	(Unknown)	(Unknown)
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<u>Cost - Taxing Authorities in Jackson</u> <u>County</u> Interest due to delayed tax distributions	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

## DESCRIPTION

This proposal would enable taxpayers with hardships to pay property taxes in installments:

- A. The county collector in any county with a charter form of government and with more than six hundred thousand but less than seven hundred thousand inhabitants shall allow for the payment of all or any part of current and delinquent real property taxes, in equal monthly or quarterly installments over a period of time not greater than one year.
- B. Installment payments shall be available for real property used as the owner's principal residence, or by all joint owners as their principal residence; and where the taxpayer is, at the time of application for installment payments, experiencing a hardship.
- C. For the purposes of this section, the term "hardship" includes owners who have been unemployed during the three-month period prior to the due date of the real property taxes; and taxpayer with Missouri adjusted gross income of less than fifteen thousand dollars for an individual or combined Missouri adjusted gross income less than twenty thousand dollars for joint owners.
- D. Delinquent taxes shall bear interest at the rate provided by section 140.100, RSMo, and shall be subject to the fees provided by law.
- E. A monthly or quarterly installment payment shall not be deemed delinquent unless it is beyond thirty days past due.
- F. The county official charged with the duties of the collector shall issue receipts for any installment payments.
- G. Installment payments made at any time during a tax year shall not affect the taxpayer's right to protest the amount of such tax payments under applicable provisions of law.
- H. Installment payments shall not apply to payment for real property taxes paid by financial institutions from escrow accounts.

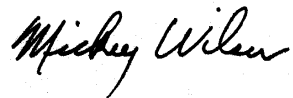
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Office of Administration  
State Tax Commission

NOT RESPONDING

**Jackson County**  
**Boone County**  
**St. Louis County**

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 10, 2003